GOVERNMENT OF INDIA
COMMUNICATIONS AND INFORMATION TECHNOLOGY
LOK SABHA

UNSTARRED QUESTION NO:3971
ANSWERED ON:20.04.2005
UNIVERSAL SERVICE OBLIGATION FUND
Singh Shri Rajiv Ranjan (Lalan);Suman Shri Ramji Lal

Will the Minister of COMMUNICATIONS AND INFORMATION TECHNOLOGY be pleased to state:

(a) whether some years back the Government had set up a universal service obligation fund in order to set up communication system in rural areas in the country;

(b) if so, the sources from which the said fund was raised and the rate thereof;

(c) the average amount collected during each of the last three years under this fund;

(d) the total amount collected under this fund till March, 2005; and

(e) the amount withdrawn from this fund for spending during the years 2003-04 and 2004-05 respectively?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMUNICATIONS AND INFORMATION TECHNOLOGY (DR. SHAKEEL AHMAD)

(a) Yes, Sir. The Universal Service Obligation Fund (USOF) has been set up under the Indian Telegraph (Amendment) Act, 2003 to provide access to basic telegraph services to people in rural and remote areas at affordable and reasonable prices. The USOF is deemed to have come into effect from 01-04-2002.

(b) USOF has been provided funds from Consolidated Fund of India through Budgetary process on the basis of Universal Service Obligation Levy collected from Telecom Service Providers and deposited into the Consolidated Fund of India. At present, the rate of Universal Service Levy is 5% of Adjusted Gross Revenue (AGR).

(c) During the financial year 2002-03, 2003-04 & 2004-05 Rs. 1653 crore, Rs. 2144 crore and Rs. 3458 crore respectively were collected through USO Levy.

(d) Till March, 2005 Rs. 7255 crore have been collected through USO Levy.

(e) Rs. 200 crore and Rs. 1314.585 crore allocated to USOF have been fully utilized during 2003-04 and 2004-05 respectively.